

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>				1. Contract ID Code Firm-Fixed-Price		Page 1 Of 14	
2. Amendment/Modification No.  P00012		3. Effective Date  2007JUL17		4. Requisition/Purchase Req No.  SEE SCHEDULE		5. Project No. (If applicable)	
6. Issued By U.S. ARMY TACOM LCMC AMSTA-AQ-AHEA ANGELA JOHNSON (586)574-7023 WARREN, MICHIGAN 48397-5000 HTTP://CONTRACTING.TACOM.ARMY.MIL WEAPON SYSTEM: WPN SYS: 00 EMAIL: ANGIE.JOHNSON@US.ARMY.MIL		Code W56HZV		7. Administered By (If other than Item 6) DCMA DETROIT U.S. ARMY TANK & AUTOMOTIVE COMMAND (TACOM) ATTN: DCMAE-GJD WARREN, MI 48397-5000		Code S2305A	
				SCD C PAS NONE ADP PT HQ0337			
8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)  GENERAL DYNAMICS LAND SYSTEMS CUSTOMER SERVICE & SUPPOR 38500 MOUND ROAD STERLING HEIGHTS, MI 48310-3260  TYPE BUSINESS: Large Business Performing in U.S.				<input type="checkbox"/>		9A. Amendment Of Solicitation No.	
				<input type="checkbox"/>		9B. Dated (See Item 11)	
				<input checked="" type="checkbox"/>		10A. Modification Of Contract/Order No.  W56HZV-05-C-0371	
				<input type="checkbox"/>		10B. Dated (See Item 13)  2005MAY31	
Code 0C9L5		Facility Code					
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>							
<input type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendments: (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.							
12. Accounting And Appropriation Data (If required) ACRN: AC NET INCREASE: \$134,431.00 <div style="text-align: right;">FMS REQUIREMENT</div>							
<b>13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS</b>							
KIND MOD CODE: G It Modifies The Contract/Order No. As Described In Item 14.							
<input type="checkbox"/>		A. This Change Order is Issued Pursuant To: The Contract/Order No. In Item 10A.				The Changes Set Forth In Item 14 Are Made In	
<input type="checkbox"/>		B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).					
<input checked="" type="checkbox"/>		C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: Mutual Agreement between Parties					
<input type="checkbox"/>		D. Other (Specify type of modification and authority)					
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return _____ copies to the Issuing Office.							
14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)							
SEE SECOND PAGE FOR DESCRIPTION							
Contract Expiration Date: 2008JUN15							
Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.							
15A. Name And Title Of Signer (Type or print)				16A. Name And Title Of Contracting Officer (Type or print) RICHARD K. KULCZYCKI RICHARD.KULCZYCKI@US.ARMY.MIL (586)574-7299			
15B. Contractor/Offeror  _____ (Signature of person authorized to sign)		15C. Date Signed		16B. United States Of America  By _____ /SIGNED/ (Signature of Contracting Officer)		16C. Date Signed  2007JUL17	
NSN 7540-01-152-8070 PREVIOUS EDITIONS UNUSABLE				30-105-02		STANDARD FORM 30 (REV. 10-83) Prescribed by GSA FAR (48 CFR) 53.243	

<b>CONTINUATION SHEET</b>	<b>Reference No. of Document Being Continued</b> <b>PIIN/SIIN</b> W56HZV-05-C-0371 <b>MOD/AMD</b> P00012	<b>Page</b> 2 <b>of</b> 14
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SECTION A - SUPPLEMENTAL INFORMATION

a. The purpose of this bi-lateral Modification P00011 to contract W56HZV-05-C-0371 is to do the following:

1. Reimburse contractor's monthly Morocco Value Added Taxes (VAT) and Corporate Income Taxes for the month of June 2007 in the amount of \$134,431.00 including G&A (\$129,279.22 for taxes; \$5,151.78 for G&A). CLIN 0006AC is added to the contract under PWD J577L501EH in the amount of \$134,431.00

2. Language to the SOW is added under Section C.13 "Morocco Value Added Taxes (VAT) and Corporate Income Taxes" to read as follows:

C.13.1 The contractor will be responsible for all Moroccan Value Added Taxes (VAT) and all Moroccan Corporate Income Taxes associated with the performance of the Case MO-B-URU Scope of Work. Such Moroccan taxes are defined as all Value Added Tax and Corporate Income Taxes filed after 30 June 2007.

C.13.2 The contractor will submit a certified statement to the ACO from the Moroccan Tax authorities detailing all taxes, interest and penalties due as of 30 June 2007. The balance on the Moroccan tax authority statement is defined as the amount of monies owed under the Case MO-B-URJ Scope of Work.

C.13.3 The contractor shall submit a monthly invoice to the US Government for reimbursement of all costs under Section C.13.1 and C.13.2, including G&A.

C.13.4 The contractor is solely responsible for additional taxes such as income taxes for deployed personnel, and other taxes, such as nondeductible Value Added Taxes, customs and duties on imports when paid through a third party, and local property taxes.

C.13.5 In the event the contractor pays taxes related to Case MO-B-URU, and such taxes are applied to case MO-B-URJ, and penalties and interest are assessed to the contractor as the result, the contractor shall be reimbursed all costs, interest, and penalties plus G&A. If the contractor pays taxes related to Case MO-B-URJ, funds will be disbursed from MO-B-URJ.

3. Section G of the contract, "Billing Schedule" is corrected to read as follows:

2007

JUN	\$170,893
JUL	\$341,786
AUG	\$341,786
SEP	\$341,786
OCT	\$341,786
NOV	\$341,786
DEC	\$341,786

2008

JAN	\$341,786
FEB	\$341,786
MAR	\$341,786
APR	\$341,786
MAY	\$341,786
JUN	\$170,893

4. As a result of this Modification, the contract is increased by \$134,431.00 from \$15,972,782.89 to \$16,107,213.89

5. The Government and the Contractor do hereby agree that all claims and obligations arising from this action are hereby satisfied.

6. All other conditions remain unchanged and in full force and effect.

\*\*\* END OF NARRATIVE A0013 \*\*\*

Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS CUSTOMER SERVICE & SUPPOR

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS				
0006	SECURITY CLASS: Unclassified				
0006AC	<u>MO VAT &amp; CORPORATE INCOME TAXES</u>  NOUN: MO VAT & CORPORATE INCOME TAX PRON: J577L501EH      PRON AMD: 01      ACRN: AC AMS CD: URU001 CUSTOMER ORDER NO: J57URU01EHMO FMS CASE IDENTIFIER: MO-B-URU  Taxes      \$129,279.22 <u>G&amp;A</u> \$    5,151.78 TOTAL      \$134,431.00  				

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SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

C.1 MAINTENANCE TECHNICAL ASSISTANCE GENERAL: OCONUS

C.1.1 MTA Objective General Dynamics Land Systems Customer Support and Services Company, as an independent Contractor and not as an agent of the USG, shall provide Maintenance Technical Assistance (MTA) efforts and program management for the objective of Facilitization of the United States Government/Moroccan Forces Armees Royales (USG/RMA) FAR 3rd Etablissement Regional de Renovation du Materiel (ERRM). The ERRM will be designed to conduct depot overhaul operations for a volume of approximately twenty five (25) components per year. Major tasks consist of the following:

Task	Paragraph
Program Management	C.2
Facilitization	C.3
Process Development	C.4
Design, Development, Implementation of Training	C.5
Technical Inspection	C.6
Feedback and Analysis	C.7
Property Management	C.8
Employment of Personnel and Personnel Support Services	C.9
Technology Transfer	C.10
Assumptions	C.11
Local Purchase	C.12

C.1.2 Program Concept: The intention of this program is for the Contractor to assist the Forces Armees Royales (FAR) in the activation of the FAR 3rd Etablissement Regional de Renovation du Materiel (ERRM) as a fully operational maintenance and repair organization capable of performing depot level overhaul of designated vehicles and associated components. This capability will be achieved by initiating a program of discrete increments consisting of tasks that will develop the material and operational infrastructure of the 3rd ERRM within specified funding and time constraints. Each increment is designed to assist the FAR to activate the overhaul capability of a designated component or assembly until the 3rd ERRM can overhaul the entire vehicle system. Increments will consist of the following work elements:

- C.1.2.1 Activation of machinery and plant equipment necessary to support planned overhaul operations.
- C.1.2.2 Development of the processes required to accomplish the designated overhaul.
- C.1.2.3 Design, development, and implementation of training of FAR cadre in the use of equipment and overhaul processes.
- C.1.2.4 Establishment of feedback systems to monitor and provide continuous improvement of training, material requirements, and processes. This process will be used to provide technical advice and assistance to the FAR as production and overhaul operations begin on each designated item.
- C.1.2.5 Analysis and planning of requirements for the subsequent increments required to expand the 3rd ERRM capability.
- C.1.2.6 (Reserved) Analysis and design of information technology systems to support inventory and production control requirements.

C.1.3 Work Increments: Work increments consist of discrete activities structured to provide support to the activation of the 3rd ERRM by the sequential implementation of work elements that are designed as tasks to support designated components and assemblies. Work increments and elements can be combined or extended as funding and operational requirements dictate. A matrix located at Atch 001 provides an overall program concept and identifies each component to be overhauled, the work elements to be accomplished, and the increment in which they will be conducted. If the USG alters the work content, then the contractor will be entitled to an equitable adjustment for any changes that have a cost impact. These work increments are based on requirements of the program for the new follow on contract. FAR shall prioritize and direct available personnel and resorces within agreed upon funding level according to the following increment guidelines and recommendations.

- C.1.3.1 Amendment 6 Work Increment (continuation of FMS case MO-B-URJ): The sixth work increment includes the following work elements IAW C.5.
  - C.1.3.1.1 Production for AVDS 1790 Engines. Continue AVDS 1790 engine overhaul process and training to engine number 35 IAW C.5.
  - C.1.3.1.2 Production for 6V53 Engines. When prioritized by 3rd ERRM, and based on SME availability, support 6V53 engine overhaul process beyond engine 25 IAW C.5.
  - C.1.3.1.3 Planning and Production for 8V71 engines.
    - C.1.3.1.3.1 Design and development of 8V71 engine overhaul process and training IAW C.4 and C.5
    - C.1.3.1.3.2 When parts are available, proceed with 8V71 engine overhaul process and training for FAR designated training engines IAW C.5
  - C.1.3.1.4 Production for CD850 Transmissions. Continue CD850 transmission overhaul process and training through transmission number 15 IAW C.5
  - C.1.3.1.5 Planning for TX100 Transmissions.
    - C.1.3.1.5.1 Conduct technical inspections of M113A1 TX100 transmissions on hand at the FAR supply depot to determine repair candidates, priorities and production plan
    - C.1.3.1.5.2 Develop parts planning and begin procurement processes as funded for TX100 transmissions.
    - C.1.3.1.5.3 Begin design and development of TX100 transmission overhaul process and training IAW C.4 and C.5
  - C.1.3.1.6 Planning for XTG411-2A transmissions.

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C.1.3.1.6.1 Conduct technical inspections of M109, M100 and M578 XTG411-2A transmission and transfer cases on hand at the FAR supply depot to determine repair candidates, priorities, and production plan.

C.1.2.1.6.2 Develop parts planning and begin procurement processes as funded for XTG411-2A transmissions.

C.1.2.1.6.3 Begin design and development of XTG411-2A transmission overhaul process and training IAW C.4 and C.5

C.1.3.1.7 Planning for M60A1/M48A5 Turret Fire Control.

C.1.3.1.7.1 Assist 3rd ERRM in selection of fire control components for overhaul.

C.1.3.1.7.2 Continue fire control requirements analysis IAW C.2 and C.4

C.1.3.1.8 When prioritized by 3rd ERRM and based on SME availability, provide maintenance technical assistance for M113 Family Vehicles (FOV) and other designated FAR vehicles on an as needed basis.

C.1.3.1.9 Assist 3rd ERRM as needed in developing FAR directed parts procurement processes.

C.1.3.1.10 Collect training, quality and performance data on current operations and provide to FAR staff for recommended improvements.

C.1.3.2 MO-B-URU Work Increment: The MO-B-URU work increment includes the following work elements:

C.1.3.2.1 Production for AVDS 1790 Engines. When prioritized by 3rd ERRM and based on SME availability, support AVDS 1790 engine overhaul processes IAW C.5.

C.1.3.2.2 Production for 6V53 Engines. When prioritized by 3rd ERRM and based on SME availability, support 6V53 engine overhaul processes IAW C.5.

C.1.3.2.3 Planning and Production for 8V71 engines.

C.1.3.2.3.1 Continue design and development of 8V71 engine overhaul process and training IAW C.4 and C.5.

C.1.3.2.3.2 Continue with 8V71 engine overhaul process and training to engine number 20 IAW C.5.

C.1.3.2.4 Production for CD850 Transmissions. When prioritized by 3rd ERRM and based on SME availability, support CD850 transmission overhaul processes IAW C.5.

C.1.3.2.5 Planing and Production for TX100 transmissions.

C.1.3.2.5.1 Design and development of TX100 transmission overhaul process and training IAW C.4 and C.5

C.1.3.2.5.2 When parts become available, proceed with TX100 transmission overhaul process and training for first 10 transmissions IAW C.5

C.1.3.2.6 Planning and Production for XTG411-2A transmissions.

C.1.3.2.6.1 Design and development of XTG411-2A transmission overhaul process and training IAW C.4 and C.5.

C.1.3.2.6.2 When parts become available, proceed with XGT411-2A transmission overhaul process and training for FAR designated transmissions IAW C.5.

C.1.3.2.7 Planning for M60A1/M48A5 Turret Fire Control.

C.1.3.2.7.1 Continue to assist 3rd ERRM in selection of fire control components for overhaul.

C.1.3.2.7.2 Continue fire control requirements analysis IAW C.2 and C.4.

C.1.3.2.7.3 Begin procurement processes (FAR and GDLS as required), facilitization IAW C.3 and planning and process development IAW C.4 and C.5 for selected fire control components

C.1.3.2.8 When prioritized by 3rd ERRM and based on SME availability, provide maintenance technical assistance for designated FAR vehicles on an as needed basis.

C.1.3.2.9 Assist 3rd ERRM as needed in developing FAR directed parts procurement processes.

C.1.3.2.10 Collect training, quality and performance data on current operations and provide to FAR staff for recommended improvements.

C.1.3.3 Amendment 1 MO-B-URU Work Increment (Reserved): The Amendment 1 work increment includes the following work elements:

C.1.3.3.1 Production for AVDS 1790 Engines. When prioritized by 3rd ERRM and based on SME availability, support AVDS 1790 engine overhaul processes IAW C.5.

C.1.3.3.2 Production for 6V53 Engines. When prioritized by 3rd ERRM and based on the SME availability support 6V53 engine overhaul processes IAW C.5.

C.1.3.3.3 Production for 8V71 Engines. When prioritized by 3rd ERRM and based on SME availabilty support 8V71 engine overhaul processes IAW C.5.

C.1.3.3.4 Production for CD850 Transmissions. When prioritized by 3rd ERRM and based on SME availability, support CD850 transmission overhaul processes IAW C.5.

C.1.3.3.5 Production for TX100 Transmissions. When prioritized by 3rd ERRM and based on SME availabilty, support TX100 transmission overhaul processes IAW C.5.

C.1.3.3.6 Planning and Production for XTG411-2A transmissions.

C.1.3.3.6.1 Continue design and development of XTG411-2A transmission overhaul process and training IAW C.4 and C.5.

C.1.3.3.6.2 Continue with XTG411-2A transmission overhaul process and training to transmission number 10 IAW C.5.

C.1.3.3.7 Planning and Production for M60A1/M48A5 Turret Fire Control.

C.1.3.3.7.1 As needed, continue to assist 3rd ERRM in selection of fire control components for overhaul.

C.1.3.3.7.2 Continue fire control requirements analysis IAW C.2 and C.4.

C.1.3.3.7.3 Continue procurement processes (FAR and GDLS as required), facilitization IAW C.3 and planning and process development IAW C.4 and C.5 for selected fire control components.

C.1.3.3.7.4 When parts become available, proceed with selected fire control component overhaul process and training IAW C.5.

C.1.3.3.8 When prioritized by 3rd ERRM and based on SME availability, provide maintenance technical assistance for designated FAR Vehicles on an as needed basis.

C.1.3.3.9 Assist 3rd ERRM as needed in developing FAR directed parts procurement processes.

C.1.3.3.10 Collect training, quality and performance data on current operations and provide to FAR staff for recommended improvements.

C.1.3.3.11 Planning for M60A1/M113 Final Drive.

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- C.1.3.3.11.1 Assist 3rd ERRM in selection of M60A1/M113 final drive components for overhaul.
- C.1.3.3.11.2 Perform final drive requirements analysis IAW C.2 and C.4.
- C.1.3.3.11.3 Begin procurement processes (FAR and GDLS as required), facilitization IAW C.3 and planning and process development IAW C.4 and C.5 for selected final drive components.
- C.1.3.3.12 Conduct requirements analysis for a complete Roll-in Roll-out program for the M48A5, M60A1 Rise Passive tank systems, and M109 Howitzer IAW C.2 and C.5. Provide technical data requirements to customer in the form of:
- a. facility requirements
  - b. tools and equipment requirements
  - c. vehicle test and adjust requirements criteria
  - d. final inspection requirements criteria
  - e. Tank operating characteristics
  - f. Tank subassembly and component repair and overhaul requirements
  - g. Technical Manuals (TMs), Depot Maintenance Work Requirements (DMWRs) and National Maintenance Work Requirements (NMWRs) related to overhaul operations.
- C.1.3.4 Amendment 2 MO-B-URU Work Increment (Reserved) The Amendment 2 work increment includes the following work elements:
- C.1.3.4.1 Production for AVDS 1790 Engines. When prioritized by 3rd ERRM and based on SME availability, support AVDS 1790 engine overhaul processes IAW C.5
- C.1.3.4.2 Production for 6V53 Engines. When prioritized by 3rd ERRM and based on SME availability, support 6V53 engine overhaul processes IAW C.5.
- C.1.3.4.3 Production for 8V71 Engines. When prioritized by 3rd ERRM and based on SME availability , support 8V71 engine overhaul processes IAW C.5
- C.1.3.4.4 Production for CD850 Transmissions. When prioritized by 3rd ERRM and based on SME availability, support CD850 tranmission overhaul processes IAW C.5.
- C.1.3.4.5 Production for TX100 Tranmissions. When prioritized by 3rd ERRM and based on SME availability, support TX100 transmission overhaul processes IAW C.5.
- C.1.3.4.6 Production for XTG-411-2A Transmissions. When prioritized by 3rd ERRM and based on SME availability, support XTG-411-2A transmission overhaul processes IAW C.5.
- C.1.3.4.7 Planning and Production for M60A1/M48A5 Turret Fire Control.
- C.1.3.4.7.1 As needed, continue to assist 3rd ERRM in selection of fire control components for overhaul.
- C.1.3.4.7.2 Continue fire control requirements analysis IAW C.2 and C.4
- C.1.3.4.7.3 Continue procurement processes (FAR and GDLS as required) facilitization IAW C.3 and planning and process development IAW C.4 and C.5 for selected fire control components.
- C.1.3.4.7.4 Continue with selected fire control component overhaul process and training IAW C.5.
- C.1.3.4.8 When prioritized by 3rd ERRM and based on SME availability provide maintenance technical assistance for designated FAR Vehicles on an as needed basis.
- C.1.3.4.9 Assist 3rd ERRM as needed in developing FAR directed parts procurements processes.
- C.1.3.4.10 Collect training, quality and performance data on current operations and provide to FAR staff for recommended improvements.
- C.1.3.4.11 Planning and Production for M60A1/M113 Final Drive.
- C.1.3.4.11.1 Continue, as needed, to assist 3rd ERRM in selection of M60A1/M113 final drive components for overhaul.
- C.1.3.4.11.2 Continue final drive requirements analysis IAW C.2 and C.4.
- C.1.3.4.11.3 Continue procurement processes (FAR and GDLS as required), facilitization IAW C.3 and planning and process development IAW C.4 and C.5 for selected final drive components.
- C.1.3.4.11.4 When parts become available, proceed with selected final drive component overhaul process and training IAW C.5.
- C.1.3.4.12 Continue requirements analysis for a complete Roll-in Roll-out program for M48A5/M60A1 Rise Passive tank systems, and M109 Howitzer IAW C.2 and C.5. Provide technical data requirements to the customer in the form of:
- a. facility requirements
  - b. tools and equipment requirements
  - c. vehicle test and adjust requirements criteria
  - d. final inspection requirements criteria
  - e. Tank operating characteristics
  - f. Tank subassembly and components repair and overhaul requirements
  - g. Technical Manuals (TMs), Depot Maintenance Work Requirements (DMWRs) , and National Mainitenance Work Requirements (NMWRs) related to overhaul operations.
- C.1.3.4.13 As requested, conduct requirements analysis for selected FAR vehicles and components IAW C.2.and C.5
- C.1.3.5 Amendment 3 MO-B-URU Work Increment (Reserved): The Amendment 3 work increment included the following work elements:
- C.1.3.5.1 Production for AVDS 1790 Engines. When prioritized by 3rd ERRM and based on SME availability, support AVDS 1790 engine overhaul processes IAW C.5
- C.1.3.5.2 Production for 6V53 Engines. When prioritized by 3rd ERRM and based on SME availability, support 6V53 engine overhaul processes IAW C.5.
- C.1.3.5.3 Production for 8V71 Engines. When prioritized by 3rd ERRM and based on SME availability , support 8V71 engine overhaul processes IAW C.5
- C.1.3.5.4 Production for CD850 Transmissions. When prioritized by 3rd ERRM and based on SME availability, support CD850 tranmission overhaul processes IAW C.5.

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C.1.3.5.5 Production for TX100 Tranmissions. When prioritized by 3rd ERRM and based on SME availability, support TX100 transmission overhaul processes IAW C.5.

C.1.3.5.6 Production for XTG-411-2A Transmissions. When prioritized by 3rd ERRM and based on SME availability, support XTG-411-2A transmission overhaul processes IAW C.5.

C.1.3.5.7 Planning and Production for M60A1/M48A5 Turret Fire Control. When prioritized by 3rd ERRM and based on SME availability, support M60A1/M48A5 Turret Fire Control overhaul processes IAW C.5.

C.1.3.5.8 When prioritized by 3rd ERRM and based on SME availability provide maintenance technical assistance for designated FAR Vehicles on an as needed basis.

C.1.3.5.9 Assist 3rd ERRM as needed in developing FAR directed parts procurements processes.

C.1.3.5.10 Collect training, quality and performance data on current operations and provide to FAR staff for recommended improvements.

C.1.3.5.11 Planning and Production for M60A1/M113 Final Drive.

C.1.3.5.11.1 Continue, as needed, to assist 3rd ERRM in selection of M60A1/M113 final drive components for overhaul.

C.1.3.5.11.2 Continue final drive requirements analysis IAW C.2 and C.4.

C.1.3.5.11.3 Continue procurement processes (FAR and GDLS as required), facilitization IAW C.3 and planning and process development IAW C.4 and C.5 for selected final drive components.

C.1.3.5.11.4 When parts become available, proceed with selected final drive component overhaul process and training IAW C.5.

C.1.3.5.12 Continue requirements analysis for a complete Roll-in Roll-out program for M48A5/M60A1 Rise Passive tank systems, and M109 Howitzer IAW C.2 and C.5. Provide technical data requirements to the customer in the form of:

- a. facility requirements
- b. tools and equipment requirements
- c. vehicle test and adjust requirements criteria
- d. final inspection requirements criteria
- e. Tank operating characteristics
- f. Tank subassembly and components repair and overhaul requirements
- g. Technical Manuals (TMs), Depot Maintenance Work Requirements (DMWRs) , and National Maintenance Work Requirements (NMWRs) related to overhaul operations.

C.1.3.5.13 As requested, conduct requirements analysis for selected FAR vehicles and components IAW C.2.and C.5

C.2 PROGRAM MANAGEMENT: The Contractor shall provide the support and effort necessary to participate as part of the USG/FAR/GDLS CSSC Program Management Team. The functions of the Program Management Team will be to participate in program reviews, program scheduling, as well as identifying and resolving of program related problems.

C.2.1 Program Interface: The Contractor shall be responsible for coordination of ERRM program schedules and requirements between the FAR and the USG. The Contractor shall coordinate designated subcontractor efforts, pertaining to the ERRM Program in order to insure the compliance to program plans, objectives, and schedules.

C.2.2 Plans and Management: The Master Program Plan and Schedule shall serve as a baseline objective for the Work Breakdown Structure (WBS). Contractor will determine appropriate WBS.

C.2.3 Program Plans, Schedules and Reviews: The Contractor shall provide the efforts necessary to conduct planning and to apply and manage its resources to ensure that program objectives and milestones are successfully completed. The Contractor shall develop and implement program plans to identify and integrate all tasks, task schedules and budget for all functions. The Contractor shall establish and maintain schedules and administrative controls to measure and report performance for all functions. The Contractor will participate in program reviews. Agendas, including charts, will be prepared in advance.

C.2.4 Review and Access: The USG shall have the right to the following:

C.2.4.1 Review, both in-process and completed project effort and documentation including, equipment identification, definition and validation/verification efforts, training, engineering support to production/technical assistance and analysis.

C.2.4.2 Meet informally with Contractor personnel for purposes of obtaining information, data, program status, and plans and schedules.

C.2.4.3 Witness the validation and verification of installed equipment and FAR personnel overhaul skills

C.2.5 Meetings: The Contractor shall attend meetings with the U.S. Government suppliers and other responsible parties to ensure compliance with the Moroccan ERRM Program objectives.

### C.3 FACILITIZATION

C.3.1 Installation of contractor procured equipment: Contractor will provide the FAR with technical advice and assistance installing and functionally testing plant equipment procured for the ERRM. The FAR will provide the tools, equipment, labor and Material Handling Equipment (MHE) necessary to transport and install equipment in the designated locations. The FAR shall provide the expendable and consumable supplies required to activate and operate the equipment. When required, the contractor shall supervise the equipment manufacturer's representative in the installation of the equipment in those cases when installation is included as a subcontract in the procurement of the item.

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C.3.2 Installation of FAR provided equipment: The contractor shall provide technical advice and assistance to the FAR in installing equipment currently on hand in FAR stores (stockage). Such equipment shall be identified by the FAR and included in the analysis portion of each increment of activation. The FAR will provide the tools, equipment, labor and Material Handling Equipment (MHE) necessary to transport and install equipment in the designated locations. The FAR shall provide the expendable and consumable supplies, repair parts, and documentation required to activate and operate the equipment. The contractor shall assist in functional testing of the equipment and identification of faults and missing items. The contractor shall, when possible, contact the equipment manufacturer to obtain information necessary to return the item to a serviceable condition. The contractor shall assist the FAR in developing plans to repair designated equipment.

C.3.3 Facilities Layout and Preventative Maintenance Plan: The Contractor shall assist FAR personnel in the preparation of equipment layout requirements for the Moroccan ERRM program and assist in the development of plans and guidelines for equipment installation. The contractor shall develop a facilities preventative maintenance plan for installed equipment based upon the manufacturer's guidelines. The contractor will develop recommended parts and expendable/consumable lists for equipment and provide to the FAR as part of the analysis portion of each increment. These plans and lists will be updated in each increment as additional equipment is installed.

C.3.4 Facilities Reengineering Planning: The Contractor will provide recommendations for improvements and modifications to the ERRM as required. If reengineering and construction is required, the Contractor may engage and supervise subcontractors in the preparation of design and drawings and in the conduct of these modifications. Such subcontracts will be considered as additions to this contract and the Contractor entitled to an equitable adjustment for changes causing a cost impact.

C.3.5 Facilities Equipment Spare Parts Budget Planning: The Contractor shall develop a plan for and provide spare parts for equipment preventative and corrective maintenance within the budget funding.

C.4 PROCESS DEVELOPMENT

C.4.1 Task Analysis: The contractor shall develop the process documentation required to conduct the tasks and overhaul inspection procedures (OIP) necessary to perform the appropriate Direct Support/General Support (DS/GS) , Depot Maintenance Work Requirements (DMWRs) and National Maintenance Work Requirements (NMWRs) on the designated assemblies and components in each program increment. This documentation will utilize USG provided Technical Manuals (-34 level), DMWRs and NMWRs to identify discrete tasks and inspections necessary to repair/overhaul the subject item.

C.4.2 Process Sheets: Process sheets will be developed for subtasks required to perform the tasks identified in C.4.1. Generally, process sheets will be utilized for tasks identified as DS/GS level operations in the -34 level TM. When available, the contractor will include known engineering changes to the process sheets that have not been included in the Technical Manual.

C.4.3 Inspection Standards: The contractor shall develop Inspection Standards for tasks required to support the overhaul inspection procedures (OIP) identified in C.5.1. Generally, these inspection standards shall reflect the standards identified in the appropriate DMWR and NMWR. When available, the contractor will include known engineering changes to the inspection standards that have not been included in the DMWR and NMWR. The Inspection Standards will be designed to allow the operator to be his own quality inspector.

C.4.4 Work Instructions: The contractor shall prepare Work Instructions for the operation of Test, Measurement and Diagnostic (TMDE) and plant equipment provided under this case and identified in the analysis phase of each Increment for the current Increment. These Work Instructions shall be based upon the manufacturer's manual and focused upon those tasks required to overhaul the subject assembly or component.

C.4.5 Change Management: The contractor shall develop a procedure for the FAR to have the capability to change process sheets, inspection standards, and work instructions.

C.4.6 Production Control Operations: (Reserved)

C.4.7 Automation Support: (Reserved)

C.4.8 Configuration Management (Reserved): The Contractor shall assist the FAR in developing a Configuration Management Process of the tracked vehicle components maintain control over the configuration of the equipment, processes and procedures used in the ERRM

C.4.9 Calibration: (Reserved)

C.4.10 Material Inventory Control, Logistics. The Contractor shall:

C.4.10.1. Develop bills of material for overhaul groups for subject major assemblies and subassemblies planned for overhaul.

C.4.10.2. Design a demand history system to develop Moroccan overhaul factors for the ERRM and guide the FAR in its implementation.

C.4.10.3. Research logistical data and provide cross-references for part numbers and federal stock numbers.



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C.4.10.4. Provide expert advice to the FAR in planning and scheduling the material requirements, mandatory replacement parts, repairable items, and provisioning to support production plans.

C.4.10.5. Develop and provide to the FAR recommendations for future material procurements of repair parts, tools, and plant equipment.

C.5 DESIGN, DEVELOPMENT, AND IMPLEMENTATION OF TRAINING

C.5.1 Training, General: The Contractor will establish a training program that provides the FAR with a systematic approach to become a progressive, flexible, and high performing organization. This program will ensure that training standards reflect the performance standards established in the Process Sheets, Overhaul Inspection Procedures, and Work Instructions that were developed to support the ERRM production program. The objective is to transition the FAR staff into the skill levels required to perform the designated tasks, and to establish a training system that provides the capability for the ERRM to become a learning organization that is able to implement continuous improvement.

C.5.2 Requirements Analysis: The contractor shall perform a job analysis and analyze the tasks required to accomplish the overhaul of the designated equipment in each increment. These tasks will be identified based upon the Process Sheets, Overhaul Inspection Procedures, and Work Instructions developed IAW C.4 during the previous Increment for the subject equipment.

C.5.3 Design: The Contractor shall determine the tasks to be trained and the method and location where and when they will be trained. The contractor shall determine the manner in which the tasks are to be trained such as conference, demonstration, practical exercise, on the job (OJT), self-paced, or training aid. The emphasis will be on practical exercises requiring hands on student participation during approximately 80% of available training time. The contractor will design Training Objectives for each task consisting of the Task Statement, the Conditions under which the task will be performed, and the Standard to which the task must be performed. The Contractor will conduct training in English. The design of training will reflect the use of interpreters provided by the FAR and utilize simplified, unambiguous language and terminology. The Contractor will determine the equipment, tools, repair parts, MHE, utilities requirements, technical documentation, TMDE, expendable and consumable supplies, and classroom requirements. The FAR will provide these items for each class. If the FAR cannot provide the required materials, or time is unavailable to complete all tasks, work-around will be developed that are mutually agreeable to both the FAR and the Contractor.

C.5.4 Development: The Contractor will determine how the training objectives will be taught, establish units of instruction, and produce the instructional materials. Instructional materials will consist of Training and Evaluation Outlines (T&EO) and the appropriate Process Sheet, Overhaul Inspection Procedure, and/or Work Instruction to be trained. Emphasis will be to utilize the actual technical document that is required to perform the task, as the core of the instructional materials and as such will become the student guide. The T&EO will consist of the following elements:

- 1.Lesson Name.
- 2.Objectives Contained Within a Lesson.
- 3.Content of the Lesson. (Summary of student activities, instructional strategy, and evaluation method).
- 4.Prerequisites
- 5.Methods of Instruction.
  - Demonstration.
  - Practical Exercise (PE). Emphasis will be placed on PE's whenever possible to maximize hands on experience.
  - On the Job.
  - Lecture.
  - Self-Paced or Programmed Instruction.
- 6.Class Duration
- 7.Media and Equipment.
- 8.Materials and Equipment Requirements.

C.5.5 Implementation of Training: This consists of the actual instruction and will consist in the preparation to instruct, the conduct of the instruction, measuring student achievement, and counseling of students. The contractor will ensure that adequate time is established for the instructor to prepare and set up his class and to practice with his interpreter. In general, three hours of preparation are required for each hour of instruction. Emphasis is to be upon student performance and instructors will evaluate the student's ability to perform the subject tasks and ensure his ability to perform to standard before proceeding to the next task. Instructors will assist students in the identification of their training needs and schedule time for remedial training as required. Normal class size will be 6 to 8 students and will not exceed 12.

C.6 TECHNICAL INSPECTION: The contractor shall perform a technical inspection of designated assemblies and components to determine, prior to the beginning of overhaul activities, the extent of repairs necessary to return the engine to a serviceable condition. These inspections will be accomplished with the available documentation (odometer reading, logbook entry, work orders, discrepancy tags etc.), tooling and test equipment available at the time and these inspections are not intended to replace the pre-shop analysis in the overhaul process. The units shall be visually inspected for metal particles in the oil, outside leaks, missing parts, or other external problems that may be repaired and returned to service without resort to an overhaul. These inspections will be used to determine a baseline for overhaul candidates, priority of repair, repair parts and production planning. The inspection and maintenance principle to be used is Inspect and Repair Only as Necessary (IROAN).

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#### C.7 FEEDBACK AND ANALYSIS

C.7.1 Objective: The objective of feedback and analysis is to ensure that processes, training, equipment, and support remains flexible and continuously responsive to the requirements of the ERRM. The Contractor will establish a feedback system to evaluate the ability of training to meet established performance standards, the capability of the material infrastructure to support production operations and the adequacy of processes to support the quality standards. The Contractor will provide written recommendations for improvements in training, material and processes to be included or addressed in each subsequent increment.

C.7.2 Training Feedback and Analysis: The contractor will establish an evaluation system that will collect data on student performance, instructor effectiveness, and revision requirements. This data will be entered into the feedback portion for each increment to determine improvement and/or additional requirements for the subsequent increment.

C.7.3 Supply Chain Management Feedback and Analysis: The Contractor shall determine the material requirements needed to support the subsequent increments of the program. This will be based upon analysis of existing technical documentation and an analysis of FAR on hand materials. These requirements will be provided to the FAR as recommendations to be included in the subsequent procurement actions.

C.7.4 Equipment Feedback and Analysis:

C.7.4.1 Contractor Provided Equipment. The Contractor shall evaluate the operation of equipment procured under this case for both its ability to perform to manufacture's specifications and provide support to the required processes. If the equipment does not perform to required specification, Contractor will provide corrective actions. There are no expressed or implied Contractor warranty provisions applicable to this equipment.

C.7.4.2 FAR Provided Equipment: Contractor will provide technical advice and assistance to the FAR in the functional testing and operation of FAR supplied equipment to be used by the 3rd ERRM.

C.7.5 Processes Feedback and Analysis: Validation/Verification (Val/Ver) is the process by which documentation and processes are analyzed to demonstrate the successful implementation of the maintenance capability of the 3rd ERRM. This will be accomplished by the Contractor providing technical advice and assistance to the 3rd ERRM staff as they initiate overhaul production operations following the training program.

C.7.5.1 The Contractor shall establish a systematic methodology for Val/Ver. The methodology shall ensure the required standards of performance are achieved. If the standards are not achieved, the Contractor shall provide the FAR with recommendations for improvements to attain standards.

C.7.5.2 The processes, documentation, and facilities equipment delivered in each work increment will undergo Val/Ver during the implementation of the production operations.

C.7.5.3 When practicable, Val/Ver of the processes and documentation will occur simultaneously with the conduct of training. The process documentation itself will for the core of the training material used to train FAR personnel.

#### C.8 PROPERTY MANAGEMENT

C.8.1 Government or FAR Property

C.8.1.1 U.S. laws apply and any actions shall take place in U.S. Courts.

C.8.1.2 FAR is responsible for general negligence, which includes all not covered by contractor responsibilities in C.8.1.2.3 below.

C.8.1.2.1 The term "Contractor's managerial personnel," as used in this paragraph C.8.1.2, means the Contractor's directors, officers, and any of the Contractor's managers, superintendents, or equivalent representatives who have supervision or direction of (i) All or substantially all of the Contractor's business; (ii) All or substantially all of the Contractor's operation at any one plant or separate location at which the contract is being performed; or (iii) A separate and complete major industrial operation connected with performing this contract.

C.8.1.2.2 The Contractor shall not be liable for loss or destruction of, or damage to, the FAR property provided under this contract except as provided in subparagraph C.8.1.2.3 below.

C.8.1.2.3 The Contractor shall be responsible for loss or destruction of, or damage to, the FAR property provided under this contract (including expenses incidental to such loss, destruction, or damage)(i) That results from a risk expressly required to be insured under this contract, but only to the extent of the insurance required to be purchased and maintained, or to the extent of insurance actually purchased and maintained, whichever is greater; (ii) That results from a risk that is in fact covered by insurance or for which the Contractor is otherwise reimbursed, but only to the extent of such insurance or reimbursement; (iii) For which the Contractor is otherwise responsible under the express terms of this contract; (iv) That results from willful misconduct or lack of good faith on the part of the Contractor's managerial personnel.

C.8.2 Availability of FAR property.

C.8.2.1 The Contracting Officer may, by written notice, (i) fail to provide some or all, or reduce stated quantities, of FAR-furnished property provided or to be provided under this contract, or (ii) substitute other FAR-furnished property for the property to be provided

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by the FAR, or to be acquired by the Contractor for the FAR, under this contract. The Contractor shall promptly take such action as the Contracting Officer may direct regarding the removal, shipment, or disposal of the property covered by such notice.

C.9.2.2 Upon the Contractor's written request, the Contracting Officer shall make an equitable adjustment to the contract in accordance with the changes clause, 52.243-1, if the FAR has agreed make the property available as listed in the Attachments for performing this contract and there is any i) Decrease or substitution in this property ; or (ii) Withdrawal of authority to use this property.

C.8.3 Property turn-over.

C.8.3.1 For planning purposes, Contractor needs a 30 day notice when contract is complete.

C.8.3.2 At end of contract, Contractor will make a list of property. The list will include only items with initial purchase amount of \$500 or greater. Air conditioning equipment and security devices installed in leased offices or leased residences will not be turned over and are exempted from this list. FAR has 30 days prior to contract completion to make arrangements to take possession. At the end of the 30 days. property may be disposed or left in place.

C.9 EMPLOYMENT OF PERSONNEL AND PERSONNEL SUPPORT SERVICES

Contractor shall provide for all recruiting, employment, mobilization and in-country Personnel Support Services (PSS) for its U.S. citizen personnel. The FAR shall provide sponsorship and cooperative assistance in obtaining visas, work permits, customs clearances and any other documentation required by the Government of Morocco. PSS includes, but is not limited to, mobilization and demobilization, transportation, housing, health care, driver's licenses, check cashing, mail and package, legal services, translations and registrations, dependent support, import and export of personal effects, etc. Contractor will have APO privileges.

C.10 TECHNOLOGY TRANSFER

Contractor employees of U.S. or Moroccan nationality as well as members of the F.A.R. will have access to technical information applicable to overhaul of vehicles / components covered by this SOW, including but not limited to TMs, DMWRs, NMWRs and operators manuals listed in Attachment 001, lesson plans, process sheets, lists of equipment or parts. The contractor will not transfer technical information to persons of any other nationalities under this contract.

C.11 ASSUMPTIONS

1. The FAR will provide the Contractor with the planned component mix.
2. The M60A1 in Morocco has the Add on Stabilization (AOS) system; therefore, AOS support equipment is included.
3. M48A5 and the M60A1 processes will be combined to take advantage of commonality between components where feasible.
4. The Contractor will utilize existing USG overhaul processes, tailored to the FAR mix/selection of DS/GS and depot tasks.
5. The FAR will provide cranes, lifts and material handling equipment required for the maintenance of tracked vehicle components.
6. Air, water, utilities, special foundations and electrical drops will be provided by the FAR in accordance with the equipment requirements. The contractor will not provide any utilities or building modifications under this contract. The FAR will provide MHE, labor and hook-up necessary to install equipment unless specifically designated as a Contractor responsibility in each increment.
7. The FAR will provide 2 copies of the Technical Manuals (TM's), Depot Maintenance Work Requirements (DMWRs) and National Maintenance Work Requirements (NMWRs) listed in Attachment 001 relevant to the subject vehicles as required by the Master Schedule. For obsolete or out of publication manuals the USG will attempt to provide copies.
8. All documentation and training will be delivered in English.
9. The Contractor will provide in-country training for the processes that are peculiar to the subject components. The FAR will be responsible for providing common and trade skills, including, but limited to, welding, machining, non-destructive testing and dimensional inspection.
10. All training will be conducted in English. The FAR will provide workforce personnel with basic technical and mechanical skills relevant to the task. Workforce will have current journeyman level skills, meaning that he is capable of performing maintenance and repair tasks using appropriate tools and documentation and without direct supervision and be capable of working with SAE standard measurements. Welders will be certified by the FAR to be able to conduct required MIG/TIG welds required by the Quality standards.
11. The FAR will provide vehicle components for overhaul in accordance with the agreed upon schedule to support the validation/verification and training for the FAR.
12. The FAR will provide office space and utilities. The contractor will provide office machines, supplies and office furniture at the site office for Contractor use. FAR will provide western style sanitary facilities for the Contractor.
13. International phone lines will be made available to the Contractor at the site office. The Contractor will assume the cost of the international calls.
14. The FAR will provide at least one each of those components selected for the overhaul operations for dedicated training purposes at the time required as agreed to in the training schedule.
- 15.The FAR will provide the Contractor with the quantity of engines, transmissions, main guns and fire control systems to conduct test runs as agreed to in the master schedule.
16. The FAR will provide expendable tools, materials including, but not limited to, drill bits, cutting wheels, consumables, bits, and welding gases.
17. FAR will allow use engine/transmission dynamometers and other depot plant equipment, as required at the 3rd ERRM.
18. Proof firing of the overhauled 105MM guns will be conducted by the FAR.
19. The FAR will provide qualified interpreters, as required by the Contractor to communicate with any non-English speaking FAR personnel.
20. The FAR will provide metrology lab support to calibrate tools and equipment and establish a calibration recall system for TMDE used to accomplish operations covered by this case.
21. FAR will provide Petroleum, Oil and Lubricant (POL) products and other expendable/consumables provided to support overhaul

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production operations and will meet specifications required in the appropriate technical manuals, DMWRs and NMWRs.

22. Tools and equipment that were assumed to be provided by the FAR, and therefore not purchased under the case, will be provided in a serviceable condition.

23. The overhaul standard is to Inspect and Repair only as Necessary (IROAN). This means that only non-serviceable items (as defined by DMWRs and NMWRs) will be repaired or replaced.

24. Maintenance and repairs to be conducted are to the depot overhaul standard, which means that the repaired item is returned to a serviceable condition. This is not a rebuild standard which is not economically feasible for this case.

25. FAR will provide material support to the training activity in accordance with the materials required by the Training and Evaluation Outlines (T&EO) included at C.5.4.

26. 3M48A5/M60A1 Overhaul Parts: The Overhaul parts were assembled based on overhaul factors obtained from Anniston Army Depot. The overhaul factors are based on actual consumption criteria experienced by ANAD and they include all mandatory replacement items called for in the DMWR and NMWR.

27. The Contractor is authorized rent-free noninterference use of facilities, tools, and equipment and utilities at the 3rd ERRM Morocco Track Vehicle Repair Facility during site visits under this contract.

28. IAW Note 11 to LOA MO-B-URJ the costs of this contract are predicated on the assumption that the purchaser (Government of Morocco) will not assess, or permit the assessment of any taxes, tariffs, levies or charges by the purchaser or any of its political subdivision, national or legal, of any kind whatsoever, including but not limited to, any type of property tax or charge, income tax or charge, intangible taxes or charges, automobile taxes or charges, consumption tax or charge, excise tax or charge, an ad valorem tax or charge, duties or imports, as a result of U.S. Government and contractor personnel entering and being present in the country and in the performance of duty. Said exemption shall include but not be limited to material equipment, supplies, household goods, automobiles, and any other type of personal property imported into the country. In the event any of the above are assessed and paid by the contractor, the purchaser agrees to hold the person harmless by reimbursing the contractor in an amount equal to said payments upon the written request of the contractor.

29. If funds available in a specific increment to procure specified plant equipment and/or repair parts are inadequate to meet all projected requirements, equipment and parts will be identified for procurement in subsequent increments as funds become available.

30. Machinist skills required to reclaim parts under appropriate DMWRs and NMWRs will be determined based upon production requirements based on preshop analysis and the machines available in Morocco. Skills to be trained will be determined following this analysis.

C.12 OVER AND ABOVE MATERIALS

- C.12.1 The following categories of items shall be procured under CLIN 0002AA. The Contractor shall provide quarterly claims detailing expenditures by each category to the ACO.
- A. tools/equipment/supplies
  - B. solvents/fluids/cleaning supplies
- C.12.2 The following procedures will be used to purchase the materials listed above:
- A. The Contractor will present his requests for reimbursement to the ACO using the Contractor Logistics Support Contract approved Purchase Request Form together with paid receipts and a cover letter explaining the purchases. The Contractor will be reimbursed for actual and allocable cost plus negotiated G&A and fee.
  - B. Intervals for submission are at the Contractor's discretion. The Contractor will support the costs of these purchases with documentation that indicates justification for pricing (competitive quotes)

C.12.3 OVER AND ABOVE REQUIREMENTS

- C.12.3.1 During performance of this contract, it is expected that items/services will be identified which are needed to meet performance of the MTA efforts, but were not included in the original contract scope of work. When directed by the U.S. Government, the Contractor will provide these materials and services under CLIN 0002AA on an expedited basis. Supplies and services provided under this provision may be purchased either from Moroccan sources, or from sources outside Morocco. However, in certain circumstances, the U.S. Government may direct that selected supplies/services be purchased within Morocco. In this event, requisitions shall state that the supplies/services shall be acquired from Moroccan sources. All requirements authorized under this provision shall be provided by the Contractor in accordance with the following:
- a. When requested by the U.S. Government or a need is identified by the contractor, the Contractor shall prepare Purchase Requisitions (PR). At a minimum, the PR shall include a detailed description of the supplies or services, an estimated amount, the required delivery/performance period, and requesting official.
  - b. For urgent Purchase Requests up to \$500 the contractor may proceed prior to ODC approval. For all other PRs the Contractor shall submit the PR to ODC Morocco for review, evaluation and signature. Upon approval, the contractor is authorized to proceed in accordance with the terms if the dollar value of the PR is \$2,500 or less. For PRs with a dollar value greater than \$2,500, the Contractor shall not take any action under this clause unless the PR is signed by ODC and approved by the ACO.

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c. As applicable under paragraph b. above ODC / ACO shall notify the contractor within five (5) work days if the approved PR is not acceptable and provide reasons thereof. If such notification is not received within five (5) work days, the parties shall consider the PR to be mutually acceptable. The Contractor shall not exceed the approved PR estimated cost without notifying and obtaining prior approval from the U.S. Government ACO.

d. The Contractor will be reimbursed for the actual, allowable, and allocable cost of supplies or services performed plus applicable G&A and fee individually negotiated with the ACO for each PR.

C.12.3.2 The U.S. Government shall not place more than five (5) PRs per month and the monthly value of the PRs shall not exceed \$7,500, unless otherwise agreed to by the parties under this clause. It is understood and agreed to by both parties that the U.S. Government is not under any contractual obligation for the duration of the contract to acquire any specific quantity or services covered by the clause and no liability will be incurred by the Contractor or the U.S. Government in the event that no acquisitions are made.

C.12.3.3 The Contractor shall maintain records, available for U.S. Government review, of the funds committed, expended, and disbursed under the clause for each purchase requisition.

C.12.3.4 The Contractor is hereby notified that items of personal benefit shall not be purchased under this clause in accordance with DOD 5105.38M and AR12-8.

C.12.3.5 Any property acquired under CLIN 0002AA by the Contractor, for delivery and use by the FAR shall become the property of the FAR upon delivery. Such property, once delivered to the FAR, shall no longer be considered Government Property within the meaning of FAR Part 45.

C.13 MOROCCO VALUE ADDED TAXES (VAT) and CORPORATE INCOME TAXES

C.13.1 The Contractor will be responsible for all Moroccan Value Added Taxes (VAT) and all Moroccan Corporate Income Taxes associated with the performance of the Case MO-B-URU Scope of Work. Such Moroccan taxes are defined as all Value Added Tax and Corporate Income Taxes filed after 30 June 2007.

C.13.2 The Contractor will submit a certified statement to the ACO from the Moroccan Tax authorities detailing all taxes, interest, and penalties due as of 30 June 2007. The balance on the Moroccan tax authority statement is defined as the amount of monies owed under Case MO-B-URJ Scope of work.

C.13.3 The Contractor shall submit a monthly invoice to the US Government for reimbursement of all costs under sections C.13.1 and C.13.2, including G&A.

C.13.4 The Contractor is solely responsible for the additional taxes, such as income taxes for deployed personnel, and other taxes such as nondeductible Value Added Taxes, customs, and duties on imports when paid through a third party, and local property taxes.

C.13.5 In the event the contractor pays taxes related to Case MO-B-URU, and such taxes are applied to case MO-B-URJ, and penalties and interest are assessed to the contractor as a result, the contractor shall be reimbursed all costs, interest, and penalties, plus G&A. If the contractor pays taxes related to Case MO-B-URJ, funds will be disbursed from MO-B-URJ.

\*\*\* END OF NARRATIVE C0003 \*\*\*

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ ITEM MIPR	OBLG STAT/ ACRN JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
0006AC	J577L501EH URU001 J57URU01EHMO	AC 2 7LTJFC	0.00 \$	134,431.00 \$	134,431.00
NET CHANGE				\$ 134,431.00	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	AC	9711 X8242MOO1X6D1000URU 001252GMOS20113	W56HZV	\$ 134,431.00
NET CHANGE				\$ 134,431.00

PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
NET CHANGE FOR AWARD: \$ 15,972,782.89	\$ 134,431.00	\$ 16,107,213.89

ACRN	EDI ACCOUNTING CLASSIFICATION
AC	97110X0X8242MOO1 S20113 X6D1000URU00100000252G 7LTJFCS20113 W56HZV

2007

JUN	\$170,893
JUL	\$341,786
AUG	\$341,786
SEP	\$341,786
OCT	\$341,786
NOV	\$341,786
DEC	\$341,786

2008

JAN	\$341,786
FEB	\$341,786
MAR	\$341,786
APR	\$341,786
MAY	\$341,786
JUN	\$170,893